

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

HOUSE ENROLLED ACT No. 1935

AN ACT to amend the Indiana Code concerning environmental law.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 36-7-13.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]:

Chapter 13.5. Shoreline Development

Sec. 1. The following definitions apply throughout this chapter:

- (1) "Commission" refers to the shoreline development commission established by section 2 of this chapter.
- (2) "Corridor" has the meaning set forth in IC 14-13-3-2.
- (3) "Executive committee" refers to the executive committee of the commission established by section 13 of this chapter.
- (4) "Fund" refers to the shoreline environmental trust fund established by section 19 of this chapter.
- (5) "Qualifying property" means one (1) or more parcels of land in the corridor under common ownership, regardless of whether any improvements are located on the land, with respect to which:
 - (A) the:
 - (i) land is unused, if there are no improvements on the land; or
 - (ii) land and improvements are unused;
 - (B) all or a part of each parcel of the land is located within five hundred (500) yards of a lake or river; and

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(C) there are significant obstacles to redevelopment because of any of the following:

- (i) Obsolete or inefficient buildings.
- (ii) Aging infrastructure or inefficient utility services.
- (iii) Utility relocation requirements.
- (iv) Transportation or access problems.
- (v) Topographical obstacles.
- (vi) Environmental contamination.

Sec. 2. (a) The shoreline development commission is established.

Sec. 3. The commission consists of the following members:

(1) The following members appointed by the governor:

- (A) The mayor of East Chicago.**
- (B) The mayor of Gary.**
- (C) The mayor of Hammond.**
- (D) The mayor of Michigan City.**
- (E) The mayor of Portage.**
- (F) The mayor of Whiting.**
- (G) Two (2) representatives, each from a steel company that owns land abutting Lake Michigan with a continuous shoreline of not less than one (1) mile.**
- (H) One (1) representative of a company that:**
 - (i) is not a steel company; and**
 - (ii) owns land abutting Lake Michigan with a continuous shoreline of not less than three-tenths (0.3) mile.**
- (I) One (1) representative of the department of environmental management.**
- (J) One (1) representative of the department of natural resources.**
- (K) One (1) representative of the department of transportation.**
- (L) One (1) representative of Beverly Shores.**
- (M) One (1) representative of Burns Harbor.**
- (N) One (1) representative of Dune Acres.**
- (O) One (1) representative of Ogden Dunes.**
- (P) One (1) representative of the northwest Indiana advisory board established under IC 13-13-6.**

(2) One (1) member appointed by the lieutenant governor.

(3) Two (2) members appointed by the speaker of the house of representatives who:

- (A) are members of the house of representatives;**
- (B) represent house districts that have territory within the corridor; and**

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(C) are not affiliated with the same political party.

If all the house districts that have territory within the corridor are represented by members of the house of representatives who are from the same political party, the speaker shall appoint a member of the house of representatives who represents a house district that is located anywhere in a county that has territory within the corridor to satisfy the requirement under clause (C).

(4) Two (2) members appointed by the president pro tempore of the senate who:

(A) are members of the senate;

(B) represent senate districts that have territory within the corridor; and

(C) are not affiliated with the same political party.

If all the senate districts that have territory within the corridor are represented by members of the senate who are from the same political party, the president pro tempore shall appoint a member of the senate who represents a senate district that is located anywhere in a county that has territory within the corridor to satisfy the requirement under clause (C).

Sec. 4. (a) The members of the commission referred to in section 3(1)(G) of this chapter may not represent the same steel company.

(b) A member of the commission referred to in section 3(1)(A) through 3(1)(F) of this chapter may designate an individual to serve on the commission in the member's place.

Sec. 5. The term of each member is two (2) years.

Sec. 6. A vacancy occurring in the membership of the commission shall be filled by the appointing authority.

Sec. 7. (a) Each member of the commission who is a state employee but who is not a member of the general assembly is entitled to reimbursement for traveling expenses as provided in the rules adopted under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(b) Each member of the commission who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided in the rules adopted under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and

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procedures established by the Indiana department of administration and approved by the budget agency.

(c) Each member of the commission who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to legislative members of interim study committees established by the legislative council. Per diem, mileage, and travel allowances paid under this subsection shall be paid from appropriations made to the legislative council or the legislative services agency.

Sec. 8. The affirmative votes of a majority of the members of the commission are required for the commission to take action on any measure.

Sec. 9. The chairman, vice chairman, and treasurer of the executive committee selected under section 14 of this chapter shall act in those same capacities with respect to the commission.

Sec. 10. (a) The commission:

- (1) shall fix the time for regular meetings; and
- (2) may hold special meetings on call of the chairman with seven (7) days written notice.

(b) A member may waive written notice of a specific meeting by a written notice filed with the commission.

Sec. 11. (a) The commission shall:

- (1) identify qualifying properties;
- (2) prepare a comprehensive master plan for development and redevelopment within the corridor that:
 - (A) plans for remediation of environmental contamination;
 - (B) accounts for economic development and transportation issues relating to environmental contamination; and
 - (C) establishes priorities for development or redevelopment of qualifying properties;
- (3) establish guidelines for the evaluation of applications for grants from the fund;
- (4) after reviewing a report from the department of environmental management under section 22 of this chapter, refer to the executive committee applications for grants from the fund under section 21 of this chapter that the commission recommends for approval;
- (5) prepare and provide information to political subdivisions on the availability of financial assistance from the fund;
- (6) coordinate the implementation of the comprehensive master plan;
- (7) monitor the progress of implementation of the



comprehensive master plan; and

(8) report at least annually to the governor, the lieutenant governor, the legislative council and all political subdivisions that have territory within the corridor on:

(A) the activities of the commission; and

(B) the progress of implementation of the comprehensive master plan.

(9) Employ an executive director and other individuals that are necessary to carry out the commission's duties.

Sec. 12. (a) When necessary to accomplish the purposes of the commission, the commission may do the following:

(1) Conduct studies necessary for the performance of the commission's duties.

(2) Publicize, advertise, and distribute reports on the commission's purposes, objectives, and findings.

(3) Provide recommendations in matters related to the commission's functions and objectives to the following:

(A) Political subdivisions that have territory within the corridor.

(B) Other public and private agencies.

(4) When requested, act as a coordinating agency for programs and activities of other public and private agencies that are related to the commission's objectives.

(5) Receive grants and appropriations from the following:

(A) Federal, state, and local governments.

(B) Individuals.

(C) Foundations.

(D) Other organizations.

(b) The commission may contract for staff services with:

(1) qualified agencies or individuals; or

(2) a planning commission established under IC 36-7-7.

Sec. 13. (a) The executive committee of the commission is established.

(b) The executive committee consists of:

(1) the members of the commission referred to in section 3(1)(A) through 3(1)(H) of this chapter; and

(2) the members of the commission referred to in section 3(2) through 3(4) of this chapter.

Sec. 14. (a) The executive committee shall elect the following officers from among the members of the executive committee:

(1) A chairman.

(2) A vice chairman.



(3) A treasurer.

(b) Each officer serves a term of one (1) year beginning July 1 of each year.

Sec. 15. The affirmative votes of a majority of the members of the executive committee are required for the executive committee to take action on any measure.

Sec. 16. (a) The executive committee:

- (1) shall fix the time for regular meetings; and**
- (2) may hold special meetings on call of the chairman with seven (7) days written notice.**

(b) A member may waive written notice of a specific meeting by a written notice filed with the executive committee.

Sec. 17. The executive committee shall:

- (1) be responsible for the management of all functions related to the provision of grants to political subdivisions from the fund for the purposes set forth in this chapter;**
- (2) review each grant application referred to the executive committee by the commission under section 11 of this chapter, including the report received from the department of environmental management under section 22 of this chapter, to determine whether to approve a grant;**
- (3) determine the amount of each grant to a political subdivision approved by the executive committee;**
- (4) approve, with appropriate signatures, each grant that the executive committee determines to make under this chapter; and**
- (5) prepare and adopt by majority vote an annual budget for carrying out the activities of the commission.**

Sec. 18. (a) After approval of the budget by the executive committee, money may be expended only as budgeted, unless a majority vote of the executive committee authorizes other expenditures.

(b) Appropriated money remaining unexpended or unencumbered at the end of the year becomes part of a nonreverting cumulative fund to be held in the name of the commission. The executive committee may authorize unbudgeted expenditures from this fund by a majority vote of the executive committee.

(c) The executive committee is responsible for the safekeeping and deposit of money the commission receives under this chapter. The state board of accounts shall:

- (1) prescribe the methods and forms for keeping; and**



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(2) periodically audit;
the accounts, records, and books of the commission.

(d) The treasurer of the executive committee may receive, disburse, and handle money belonging to the commission, subject to the following:

- (1) Applicable statutes.
- (2) Procedures established by the executive committee.

Sec. 19. The shoreline environmental trust fund is established to provide a source of money for the following:

(1) The rehabilitation, redevelopment, and reuse of qualifying property by providing grants to political subdivisions to conduct any of the following activities:

- (A) Identification and acquisition of qualifying property within a political subdivision.
- (B) Environmental assessment of identified qualifying property and other activities necessary or convenient to complete the environmental assessments.
- (C) Remediation of environmental contamination conducted on qualifying property.
- (D) Clearance of real property under IC 36-7-14-12.2 or IC 36-7-15.1-7 in connection with remediation activities.
- (E) Other activities necessary or convenient to return qualified property to full use.

(2) The operations of the commission.

Sec. 20. (a) The budget agency shall:

- (1) administer the fund; and
- (2) report to the executive committee semiannually:
 - (A) revenue receipted to the fund;
 - (B) distributions from the fund; and
 - (C) the balance in the fund.

(b) The following shall be paid from money in the fund:

- (1) The expenses of administering the fund.
- (2) Grants approved by the executive committee under section 17 of this chapter.
- (3) The amount budgeted by the executive committee for the operations of the commission.

(c) The fund consists of the following:

- (1) Appropriations made by the general assembly.
- (2) Grants and gifts intended for deposit in the fund.
- (3) Interest, gains, or other earnings of the fund.

(d) The budget agency shall invest the money in the fund not currently needed to meet the obligations of the fund in the same

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manner as other public funds may be invested. Interest, gains, or other earnings from these investments shall be credited to the fund.

(e) As an alternative to subsection (d), the budget agency may invest or cause to be invested all or a part of the fund in a fiduciary account with a trustee that is a financial institution. Notwithstanding any other law, any investment may be made by the trustee in accordance with at least one (1) trust agreement or indenture. A trust agreement or indenture may allow disbursements by the trustee to the budget agency as provided in the trust agreement or indenture. The budget agency and the state board of finance must approve any trust agreement or indenture before its execution.

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Sec. 21. (a) Before a political subdivision may receive a grant from the fund, the political subdivision must submit to the department of environmental management and the commission the following:

(1) A grant application, in the form prescribed by the department of environmental management and the commission, that:

- (A) identifies the qualifying property;
- (B) includes any ordinances, resolutions, or other documentation of the political subdivision's determination to submit the grant application;
- (C) identifies the entity from which the qualifying property has been acquired or will be acquired by the political subdivision;
- (D) specifies the cost of acquisition of the qualifying property to the political subdivision, if any;
- (E) identifies any environmental contamination of the qualifying property that will be subject to remediation;
- (F) specifies the environmental remediation objectives with respect to the qualifying property;
- (G) estimates all costs the political subdivision will incur with respect to the qualifying property;
- (H) evaluates the prospect for conveyance of the qualifying property for use by a private or public entity; and
- (I) includes a schedule of all actions taken or to be taken by the political subdivision with respect to the qualifying property between the time of acquisition and the anticipated time of conveyance by the political subdivision.

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(2) Documentation of community and neighborhood comment concerning the use of a qualifying property on which environmental remediation activities will be undertaken after environmental remediation activities are completed.

(b) A political subdivision may apply for a grant under this section for activities under this chapter with respect to:

(1) qualifying property previously acquired by the political subdivision by:

(A) purchase; or

(B) donation from a private or public entity; or

(2) qualifying property to be acquired using grant money.

Sec. 22. The department of environmental management shall do the following under this chapter:

(1) Upon receipt of a grant application from a political subdivision under section 21 of this chapter with respect to a qualifying property, evaluate the technical aspects of the political subdivision's:

(A) environmental assessment of the property; and

(B) proposed environmental remediation with respect to the property.

(2) Submit to the commission a report of its evaluation under subdivision (1).

(3) Evaluate the technical aspects of the political subdivision's environmental remediation activities conducted on qualifying properties.

(4) Act as a liaison with the United States Environmental Protection Agency.

Sec. 23. The executive committee shall develop a priority ranking system for making grants under this chapter based on the following:

(1) The comprehensive master plan.

(2) Socioeconomic distress in an area, as determined by the poverty level and unemployment rate in the area.

(3) The technical evaluation by the department of environmental management under section 22 of this chapter.

(4) Other factors determined by the commission, including the following:

(A) The number and quality of jobs that would result from reuse of the qualifying property.

(B) Housing, recreational, and educational needs of communities.

(C) Any other factors the executive committee determines

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will assist in the implementation of this chapter.

Sec. 24. (a) Based on the priority ranking system established under section 23 of this chapter, the executive committee may make grants from the fund to political subdivisions under this section.

(b) A grant must be used for at least one (1) of the purposes set forth in section 19 of this chapter and may be used to pay consultant, advisory, and legal fees and any other costs or expenses resulting from the assessment, planning, or environmental remediation of a qualifying property.

Sec. 25. If:

(1) a private entity offers a political subdivision a donation of property for which the political subdivision intends to submit a grant application under section 21 of this chapter; and

(2) the donation of the property is conditioned on obtaining from the state a covenant not to sue the private entity for any potential liability arising under state law associated with environmental contamination of the property;

the political subdivision may request that the commission seek the covenant not to sue from the governor. The governor may execute a covenant not to sue under this section.

Sec. 26. The executive committee may adopt guidelines or guidance documents to implement this chapter without complying with IC 4-22-2.

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Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Approved: _____

Governor of the State of Indiana

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